

MOVING BEYOND CONGESTION



BUDGET HEARING CHICAGO SOUTH

REGIONAL TRANSPORTATION AUTHORITY

August 4, 2008

Moving Beyond Congestion

Tonight's Speaker

Diane Palmer

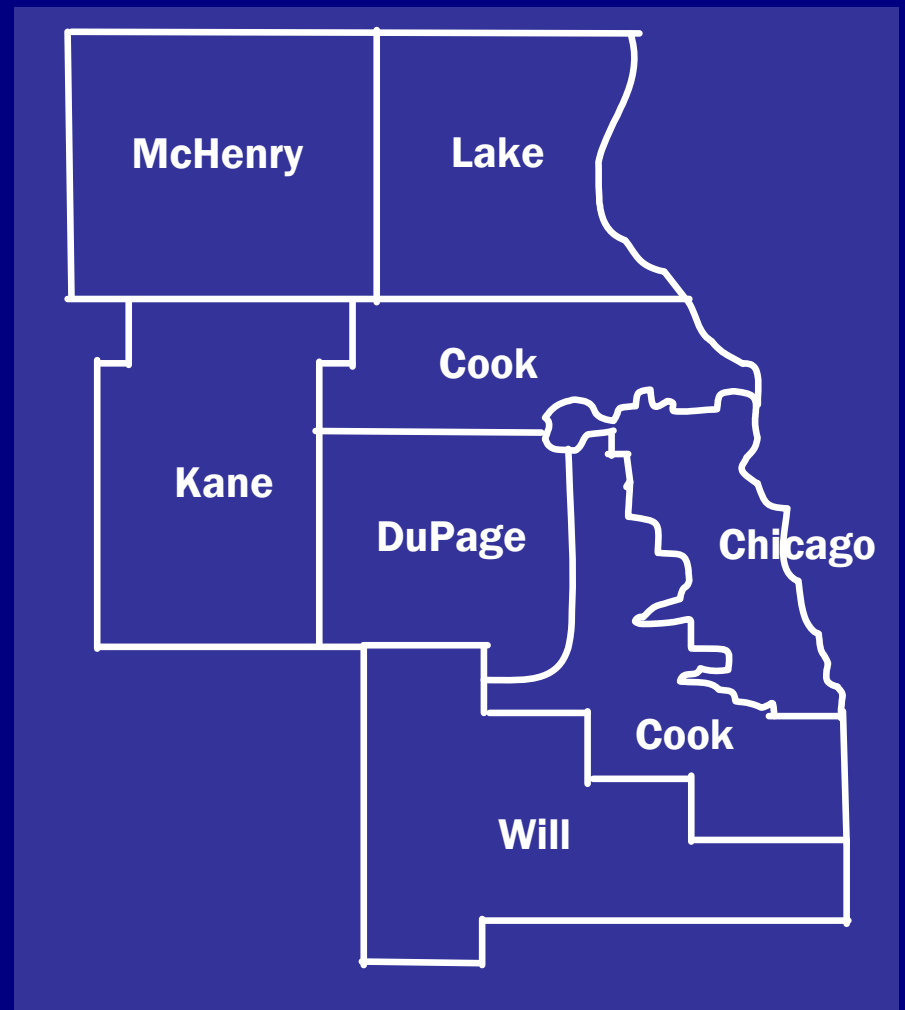
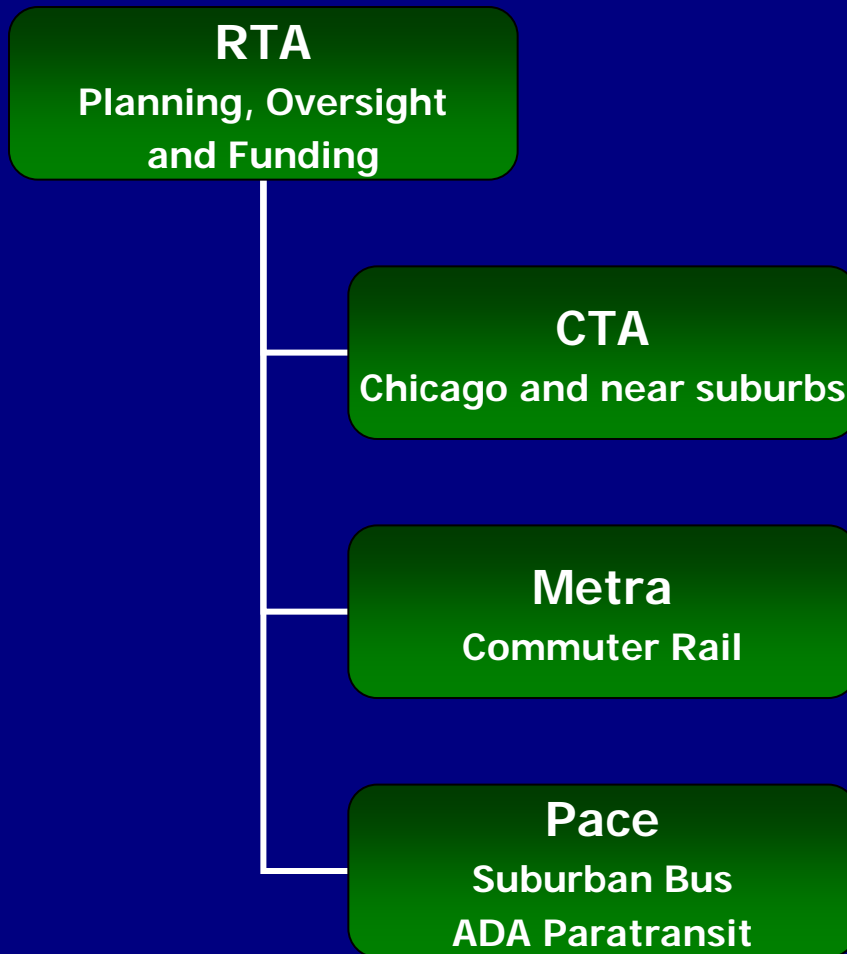
Communications Director

Regional Transportation Authority

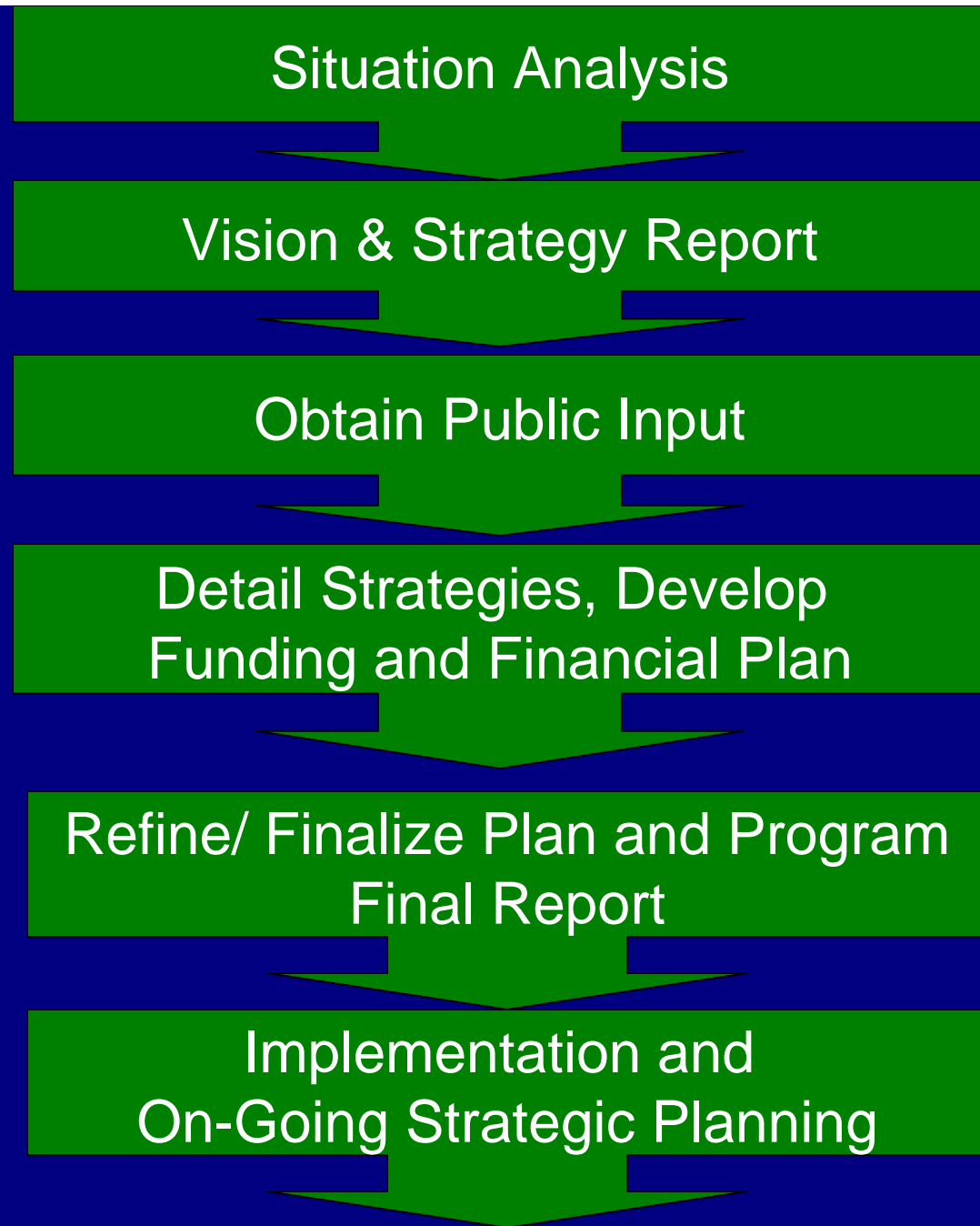
Purpose of today's hearing

- **Highlights of new transit legislation**
- **Update on MBC strategic plan**
- **2009 budget outlook**
- **Summary of capital investment needs**
- **Obtain comments and answer questions from attendees**
 - Submit comments and questions in writing on comment cards
 - Comments collected today and at 12 other hearings held throughout northeastern Illinois

The Regional Transportation Authority



Strategic Plan Approach



VISION

“A world-class public transportation system that is convenient, affordable, reliable and safe, and is the keystone of the region’s growing business opportunities, thriving job market, clean air and livable communities.”

STRATEGIC PLAN UPDATE

- Update goals and objectives
- Develop Performance Measures and Standards
- Development of Long-Term Financial Projections and Analysis
- Capital criteria and programming

STRATEGIC PLAN UPDATE

- **Assessment of Asset Condition**
- **Development of Market Strategies**
- **Development of an ADA Policy Statement**
- **Compliance with all other legal mandates**

Funding and 2009 Outlook

Funding Shortfall Background

- 2006
 - RTA began to develop a strategic plan
 - Illinois Auditor General began to audit the transit system
 - RTA Board adopted 2007 budget with \$226 million funding shortfall

Funding Shortfall Background

- **2007**
 - Feb - RTA Board adopts the new Moving Beyond Congestion Strategic Plan
 - Mar – Illinois Auditor General releases report
 - Jun - Legislation still pending; CTA and Unions agree on pension and healthcare reforms.

2006-2007 DEFICIT REDUCTION ACTIONS

CTA

- 2006 - Increased rail and cash fares by 25 cents. Transfer cards not available to cash paying customers – annual revenue increase of \$17M
- 2007 - Administrative changes including the elimination of 76 positions – annual savings \$38M

Metra

- 2006 - 5% fare increase on February 1st increased revenue \$10M
- 2007 - Negotiated new train advertising contract totaling \$3M annually

Pace

- 2006 - Fixed route fare increase
- 2007 - Chicago ADA Paratransit fare increase
- 2007 - Tighter administration of the Taxi Access Program is expected to save almost \$1M annually

2008 FUNDING SHORTFALL

(dollars in millions)

New Legislation	<u>Estimate</u>
Sales Tax	\$ 210
PTF	40
RETT	<u>63</u>
April-Dec	313
Shortfall	<u>(405)</u>
Difference	(92)

New Funding Legislation

- **Actions**
 - Continued emphasis on cost reductions
 - Continued cash management
 - Achieved balanced budget

2008-2009 FUNDING CHALLENGES

- Fuel prices
- Free rides
- Loss of state reduced fare funding
- Economic downturn
- Tax revenues affected (real estate, sales tax)

Capital Needs

- No state capital plan since 1999
- Balancing maintenance needs with enhancements and expansions

State Capital Funding Plans

- At a minimum, \$3 billion dedicated to maintenance
- Additional funds beyond minimums would be required for expansions

State Capital Funding Plans

- **Alternative Proposals**
 - **Significantly smaller**
 - **Inadequate revenues**

We want to hear from you

- **Opportunity to provide input regarding our work now and the future of our transit system**
 - Submit your comments/questions on comment cards
 - Comments collected tonight and at 12 similar meetings held throughout northeastern Illinois will be reviewed and incorporated into our ongoing work
- **Community meetings throughout region from August 4-14**
- **www.MovingBeyondCongestion.org**
- **www.rtachicago.com**



YOUR COMMENTS AND QUESTIONS?

THANK YOU!

